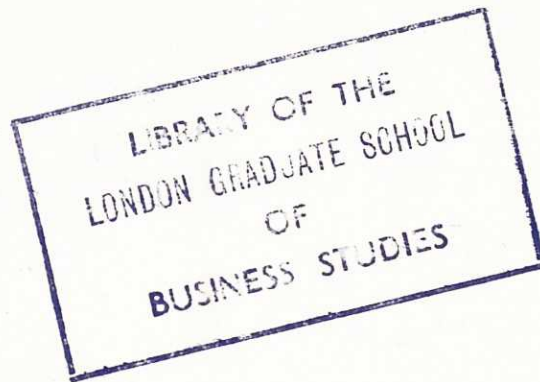


Report and Accounts

FOR THE YEAR ENDED 31st MARCH 1969



BOOTS PURE DRUG COMPANY LIMITED

Notice of Annual Ordinary General Meeting

NOTICE IS HEREBY GIVEN that the ANNUAL ORDINARY GENERAL MEETING of Boots Pure Drug Company Limited will be held at Boots Works Canteen, Beeston, on Thursday, the 24th day of July, 1969, at 12 o'clock noon.

The business of the meeting will be:

- (a) To receive the Directors' Report and Statement of Accounts and the Auditors' Report thereon.
- (b) To declare a Dividend.
- (c) To elect Directors.
- (d) To fix the remuneration of the Auditors.
- (e) To transact any other business which may be dealt with at the Annual General Meeting.

NOTES

1. Any member entitled to attend and vote at the above-mentioned meeting is entitled to appoint one or more proxies (who need not be members) to attend and vote in his stead. A proxy card is enclosed with this report and accounts.
2. In accordance with the general undertaking which the Company has given to The Federation of Stock Exchanges, a statement of transactions of Directors (and of their family interests) in the ordinary shares of the Company will be available for inspection at the registered office of the Company, 1 Thane Road West, Nottingham, on any weekday (Saturdays excluded) from the 26th June to 24th July 1969, during usual business hours, and at Boots Works Canteen, Beeston on 24th July 1969 from 11.45 a.m. until the conclusion of the meeting.
3. One director of the Company has a contract of service not determinable without payment of compensation within one year with a subsidiary of the Company, and a copy will be available for inspection at the times and places set out in Note 2 above.

By Order of the Board,
H. T. MILNES,
Secretary.

Dated this 26th day of June, 1969.

Dates and Facts to note

Dividend and Interest Payments

Ordinary Dividends	Interim	<i>Announced early November. Paid early January.</i>
	Final	<i>Proposed late May. Paid late July.</i>
6% Loan Stock interest		<i>Paid end June, September, December and March.</i>
7½% Loan Stock interest		<i>Paid end September and March.</i>
Timothy Whites & Taylors Ltd.—		
6¼% Loan Stock interest		<i>Paid beginning September and March.</i>
8% Loan Stock interest		<i>Paid beginning August and February.</i>

Results

First half-year results	<i>Announced early November.</i>
Results for the year	<i>Announced late May.</i>
Report and Accounts	<i>Circulated late June.</i>

For Capital Gains Tax purposes the market value of Boots Ordinary Shares on 6th April, 1965 was 16s. 0d. and of the 6% Loan Stock 90½.

Directors and Officers

Chairman	W. R. NORMAN
Managing Director	K. D. WILLIAMSON
Deputy Managing Director	G. I. HOBDAY, Ph.D., F.R.I.C.
	D. E. M. APPLEBY
	THE RT. HON. LORD COLERAINE, P.C.
	R. C. M. DICKSON, M.P.S.
	R. C. GIBB, O.B.E.
	K. H. HARPER, F.P.S.
	B. JEFFERIES
	SIR JAMES PITMAN, K.B.E.
	THE RT. HON. LORD REDMAYNE, P.C., D.S.O.
	A. D. SPENCER
	M. J. VEREY
Secretary	H. T. MILNES
Registered Office	1 THANE ROAD WEST, NOTTINGHAM, NG2 3AA
Bankers	NATIONAL PROVINCIAL BANK LTD.
Auditors	PEAT, MARWICK, MITCHELL & CO.

Report of the Directors

for the year ended 31st March 1969

The Directors submit their Eighty-first Annual Report to the Shareholders, together with the Audited Accounts for the year ended 31st March, 1969.

PROFITS, DIVIDENDS AND RETENTIONS

The Consolidated Profit and Loss Account shows the profit of the Group which amounts before taxation to £19,126,000 compared with £16,813,000 for the previous year, and after taxation to £9,978,000 as against £9,217,000. Trading profit includes the profit of the Timothy Whites & Taylors Ltd. business for the year ended 31st March, 1969, from which is then deducted that part of that profit which arose in the period 1st April to 2nd August, 1968, prior to acquisition by your Company.

The profit after taxation attributable to Boots Pure Drug Company Limited is £9,650,000 compared with £9,182,000 for the previous year.

The Directors recommend the payment of a final dividend of 8.499% to the Ordinary Shareholders, which together with the interim dividend already paid, makes a total of 14.999% for the year. Such total is the maximum permissible under the dividend restraint policy of the Government.

The remainder of the Group net profit after paying the recommended dividends will be £2,972,000 which the Directors recommend should be transferred to Reserves.

Details of the profit, dividends paid and recommended, and transfers to Reserves are shown in the Consolidated Profit and Loss Account.

ACQUISITION

On 2nd August, 1968, Boots Pure Drug Company Limited acquired the whole of the Ordinary Share Capital of Timothy Whites & Taylors Ltd. by means of a scheme of arrangement under Section 206 of the Companies Act, 1948.

Three Ordinary Shares of 5/- each and 15/- of 7½% Unsecured Loan Stock were issued by Boots Pure Drug Company Limited for every five Ordinary Shares of Timothy Whites & Taylors Ltd., and the consideration for the whole of the £10,201,653 issued ordinary capital of Timothy Whites & Taylors Ltd. was:

£6,120,992 of Ordinary Shares of 5/- each;
£6,120,992 of 7½% Unsecured Loan Stock 1988/93.

In making the offer to acquire Timothy Whites & Taylors Ltd., and its subsidiary companies, the Directors of the Company foresaw the necessity of substantial reorganisation in order to effect integration of activities and operating efficiency within the enlarged Group. A programme for integration is now in progress and your Directors felt it prudent to provide for some initial costs by transferring £600,000 from Reserves to a Reorganisation Provision, against which the actual costs of such measures after appropriate taxation relief are being charged.

GROUP ACTIVITY

The principal activity of the Group is that of Retail Chemists and the manufacture and wholesale distribution of Pharmaceuticals, Drugs, Fine Chemicals and Toilet Preparations. Fuller details are shown on page 25.

EXPORTS

Exports by the Home Group in the year amounted to £3,803,000.

Report of the Directors—continued

FIXED ASSETS

Full details of the movements of Fixed Assets are shown in Note 11 on pages 22 and 23.

GROUP EMPLOYMENT AND REMUNERATION

The average number of persons employed weekly in the U.K. by the Group during the year was 46,000. The total remuneration paid during the year to all such employees was £33,383,000.

PAYMENTS FOR CHARITABLE AND POLITICAL PURPOSES

Payments totalling £32,000 have been made by the Home Group during the year for charitable purposes. A payment of £5,000 was made during the year to British United Industrialists. In addition during the year, before the merger, Timothy Whites & Taylors Ltd. paid £1,000 to the Conservative Party.

THE BOARD OF DIRECTORS

Election of Directors

In addition to the existing Directors, Mr. R. C. Gibb, O.B.E., was appointed a Member of the Board with effect from 11th September, 1968, and the Rt. Hon. Lord Redmayne, P.C., D.S.O., was appointed a Member of the Board with effect from 1st April, 1969. In accordance with Article 107 of the Articles of Association of the Company they retire and offer themselves for re-election.

Sir James Pitman, K.B.E., in accordance with Article 100 retires by rotation and offers himself for re-election.

The Rt. Hon. Lord Coleraine, P.C., in accordance with Article 109 retires but does not offer himself for re-election.

Directors' Shareholdings and Transactions

In order to comply with the Companies Act 1967, the names of those who were Directors during the year and the details of their interests in the Share and Loan Capital of the Company are shown on page 28, and are deemed to be part of this report.

AUDITORS

The Auditors, Messrs. Peat, Marwick, Mitchell & Co., are willing to continue in office and a resolution concerning their remuneration will be proposed at the Annual General Meeting.

By Order of the Board

H. T. MILNES, Secretary

26th June, 1969.

Statement by the Chairman Mr. Willoughby R. Norman

Trading Year

The year has been a difficult one for retailers because they have been severely hit by tax impositions and the third year of the freeze. In my report last year I feared that sales would not continue so buoyant nor expenses be so absorbed, and this has turned out to be the case. Although our net world sales increased from £161 m. to £212 m. and Boots retail sales at home by 9½% compared with 7½%, two important qualifications are necessary. First, the total sales figure includes those of Timothy Whites & Taylors during the whole of our financial year. Without them the figure would have been £178 m. Second, the seemingly satisfactory Boots sales increase of 9½% is not a true one as approximately half of this is additional purchase tax levied by the Government, on which of course we make no profit though we have to do much work in connection with it. Counter sales without dispensing showed an increase of 11% in spite of being up against the Budget spending boom of last year, very poor weather, and depressed sales after Christmas. The value of N.H.S. dispensing by us increased only nominally due to the introduction of the 2/6d. prescription charge in June 1968.

Here I must refer to the unanimous judgment in our favour in the House of Lords in the case of *Dickson v. the Pharmaceutical Society* which was only reported in an addendum slip in last year's accounts. The case took three years to decide and will make both legal and pharmaceutical history. It confirms the authority of the Pharmaceutical Society in professional matters and equally the freedom of the Retail Chemist to carry on his business in the way he finds best.

Profits and Taxation

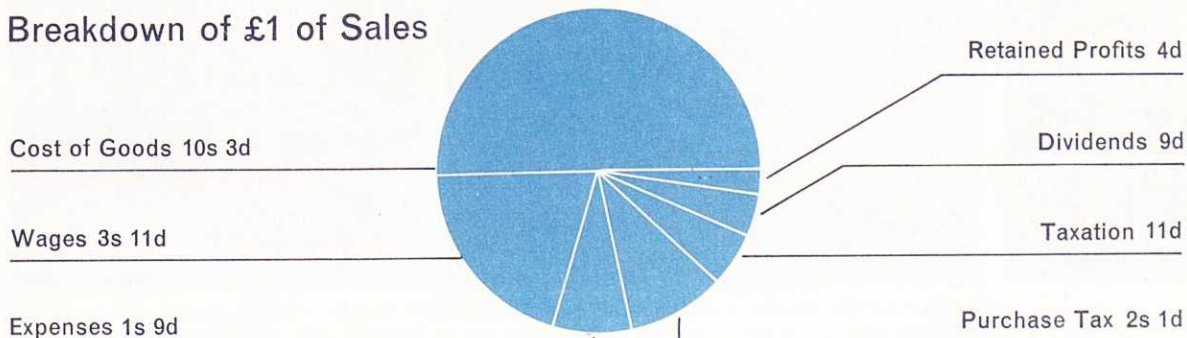
Profit before tax comes out at £19,126,000 compared with £16,813,000 last year. There is again no strict comparison between the two figures as the Timothy Whites profit for our financial year is included.

Tax absorbs £9,148,000 leaving a net profit of £9,978,000. There is a second increase in the rate of Corporation Tax since it was first introduced and this latest addition means that a company now needs to earn 4½% more at the pre tax level in order to maintain the same net profit.

As will be seen from the profit and loss account the pre acquisition profit of Timothy Whites needs to be deducted together with that of other minority shareholders, leaving a final net profit of £9,650,000. Shareholders will be aware that the dividend freeze limiting any increase to 3½% still prevails for the second year, so in order to pay shareholders the largest permissible total the dividend is at the rate of 14.999%. An interim of 6½%, the same as last year, was paid last January and so the final recommended is 8.499%.

While on the sombre subject of tax, shareholders might like to have details of the Selective Employment Tax which the company bears, and the Purchase Tax which customers pay and we collect for the Government. S.E.T. was increased by 50% in September last adding a further £637,000 to our costs, the total of which tax is now £1.75 m. per annum. The further increase announced for July will mean that this oppressive tax will be 92% higher than when introduced. Additional Purchase Tax levied during the year was over £7 m. These figures are for Boots alone and would need to be increased to take account of Timothy Whites. Public awareness of the taxes differs in that Purchase Tax is seen to add directly to the cost of living whereas the effects of S.E.T. are often hidden.

Breakdown of £1 of Sales





These examples from the retail expansion and modernisation programme illustrate a consistent image adapted to suit various environments.

Top left: Piccadilly, Manchester; right: Broad Street, Reading branch as enlarged.

Centre: Interior and exterior views of the Whitgift Centre branch, Croydon.

Lower: Thetford, Norfolk; the old Timothy Whites branch at Marble Arch, London now converted to Boots; and Cheltenham.

Timothy Whites and Taylors

We have owned this business for 8 months of the financial year about which I write. Their sales per square foot and their profit thereon are not equal to our own, and the integration of the two businesses involves in the short term a certain amount of dislocation but in the long term there will be much advantage.

Of the 600 shops in the Timothy Whites group 315 have been selected for conversion to branches of Boots The Chemists and conversion is taking place at the rate of about one per working day, so that the operation will have been virtually completed by the end of the current trading year. Seven further branches which are next door to Boots shops will be incorporated with them to make larger premises, while 94, which are too small or for some other reason not required, are being sold.

There are 132 shops already trading in housewares only, to which a further 98 will be added, to form the nucleus of a chain of housewares shops trading under the name of Timothy Whites. Five will be new and larger ones—at Ashton-under-Lyne, Aylesbury, Basingstoke, Bootle and Sunderland. We hope that most of this chain of some 230 shops will all be trading by the end of the calendar year with a new inventory consisting of the best of existing Timothy Whites and Mence Smith houseware merchandise and selected merchandise from our large department stores.

Speed is the essence of the whole of this exercise in order to obtain the advantages of the acquisition as early as possible, and we have high hopes for the future.

Also from the first we recognised the importance of co-ordinating buying, merchandising and distribution with the Boots group as quickly as possible. All buying is now done through the Boots buying offices and this has enabled us to dispose of Allen House, Timothy Whites head office in London. The Sales Department in Nottingham now co-ordinates the merchandising efforts throughout all shops in the group.

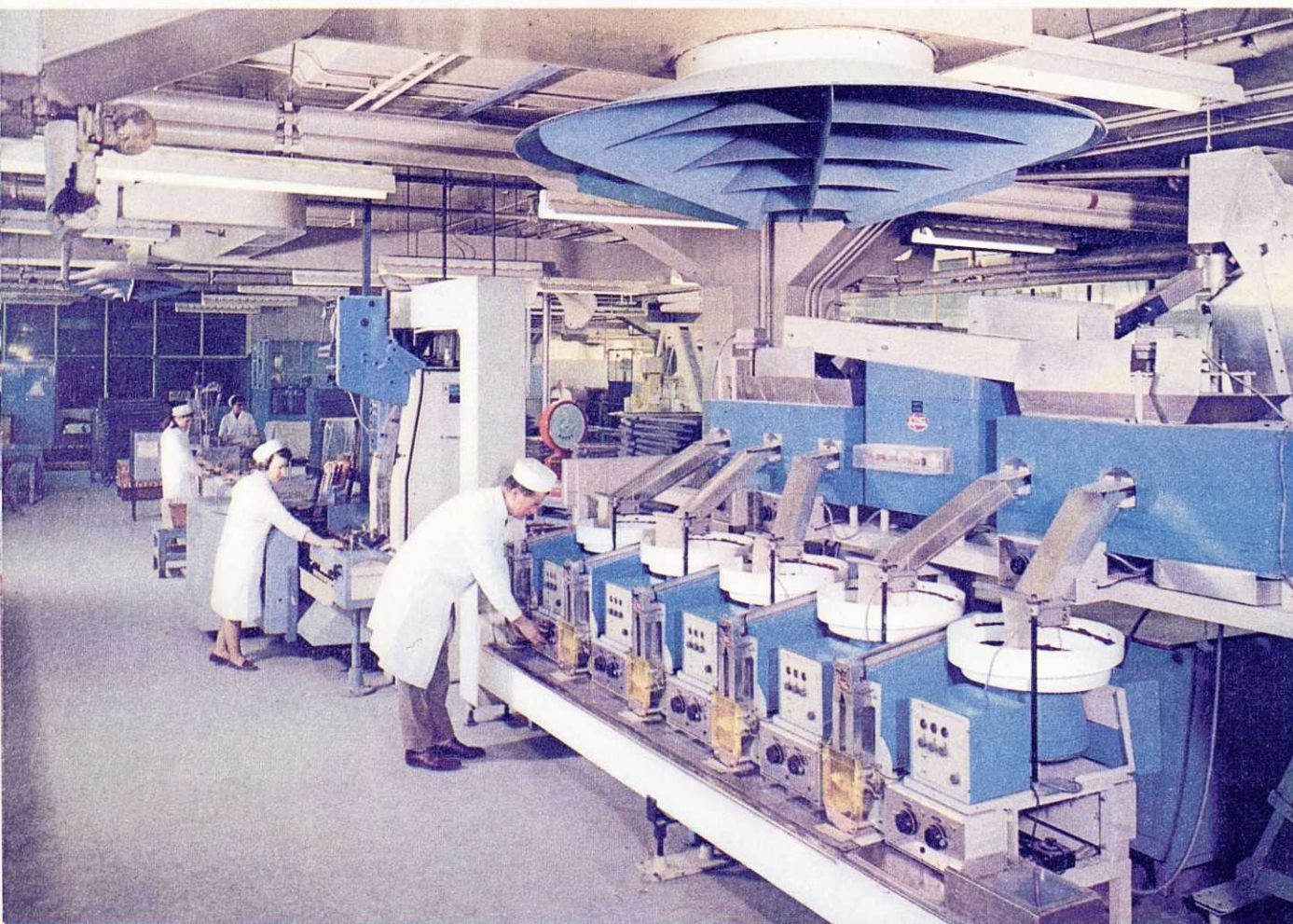
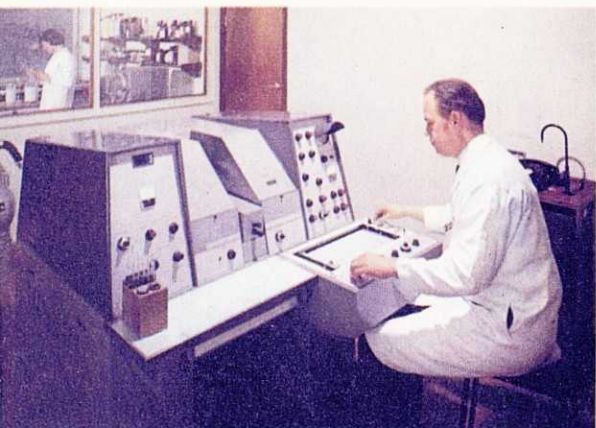
To rationalise the distribution is a more complex task and will take some time, although we have already decided to close the Timothy Whites warehouse and office at Leeds. Virtually the whole of Boots branch ordering procedure is on computer and it will be necessary to get Timothy Whites branches on to this system before we have the flexibility to serve any of their shops from the most suitable of our six main warehouses. This will be accomplished during the next twelve months. The introduction of Boots branded merchandise into Timothy Whites shops is going well and as these items, made in our factories or by specialist suppliers, account for more than one quarter of the total turnover in Boots branches, the importance of this will be apparent.

Retailing

As stated above, total Boots retail sales showed an increase of $9\frac{1}{2}\%$ while counter sales alone, which is without dispensing, increased by 11%. Many new lines were introduced during the year and in the competitive world in which we live we are jealous of our reputation for the value and quality of the goods we sell.

The main factor affecting dispensing business was the imposition of prescription charges by the Government. The method of imposing these charges was completely new, both as to procedure and the provision for exemption. The effect of these charges was an immediate reduction in the number of prescriptions presented. During the year our remuneration was increased by a token amount, but this did not compensate for the extra time involved in interpreting the regulations and exemptions to the public. An increase in the value of each prescription helped to compensate for the fall in numbers and the cash return in N.H.S. dispensing was slightly ahead of that received in the previous year, but the profitability was reduced.

No report would be complete without reference to the tremendous amount of work imposed on the company—and its retail branches in particular—by a whole series of Government measures, the effects of which have seriously hampered the real job of selling. At the beginning of the financial year the effects of devaluation on costs and prices were still being felt and had been followed by what amounted to the largest increase in Purchase Tax since the War. By the application of the 'Regulator' in November, Purchase Tax was further increased and the two changes have had a severe effect on the retail price of many products. As illustration, the amount of tax chargeable on many toiletries has doubled in a year, while some Photographic lines previously exempt from tax are now chargeable at no less than 55%.



Top left: A nuclear magnetic resonance machine used in the Research Department to determine the structure of unknown compounds.

Top right: A small section of Boots Shopfitting factory where all the interior fittings of the shops are made.

Lower: Boots are big manufacturers of confectionery and this photograph shows an automated filling line.

Statement by the Chairman—continued

Taking into account, in addition, the 50% increase in Selective Employment Tax already referred to, and the application of the import deposit, it has been quite impossible to maintain prices at the level which obtained in early 1968. It is a sobering thought that over the last five years the total of all retail sales in this country has risen by 11% in volume but has risen by 25% in terms of money.

The Trade Descriptions Bill, which I mentioned last year in referring to the flood of new legislation with which we had to contend, has become law. In part, it is concerned with the way in which prices of goods are marked and advertised. It is intended, presumably, to protect the public by prohibiting the use of misleading price marking. Unfortunately as is so often the case with modern legislation an extremely complicated Act has been imposed which, while of doubtful value in curbing the activities of the few traders who make a practice of deceiving their customers, causes a tremendous amount of totally unproductive work and expense to fall on all the honest traders. We doubt if the overall effect is of sufficient value to the public to justify the increase in costs and ultimately in retail prices.

During the year we have added a record 100,000 square feet to our sales area, in either new or extended shops, at a cost of almost £4 m. This includes the completion of many of the 'store' type, including Croydon—our largest shop trading on one sales floor—Basingstoke, Birkenhead, Catford, Cheltenham, Cwmbran, Darlington, Doncaster, Hamilton, Kilburn, Kilmarnock, Llandudno, Reading, Scarborough and Watford. An interesting development is the new shop in Redhill, comprising over 4,000 square feet in sales area devoted exclusively to traditional chemist business.

During the current year the development programme of major shops will continue with the transfer to enlarged premises at Bracknell, Colchester, High Wycombe, Kidderminster, Morecambe, Sunderland, Sutton, Walsall and West Hartlepool. Large extensions and modernisations will be under way at Loughborough and Worcester, and completed at Bromsgrove and Dundee. The total cost of this programme, combined with the conversion of Timothy Whites chemist shops and stores, together with the expansion of the Houseware chain, will involve the group in an expenditure of approximately £6 m. and result in a large addition to our total sales area.

Wholesaling

I referred last year to our determination to expand sales to outlets other than our own branches, and I am pleased to report a significant improvement in these sales, which we are confident will continue to gather momentum. We have added to our range of nationally available products two well-established lines of W. B. Cartwright, a subsidiary of Timothy Whites. At the time of writing there are eight products in the range, namely Sweetex and Sweetona (both artificial sweeteners), Top Score Hand Care, Dulsils Throat and Cough Lozenges, New Dew Bath Essence, Moorlands Indigestion Tablets and Penetrol Rub and Inhalant. All are well known and all are being or will shortly be marketed under the name of Lenbrook Laboratories.

In the export area the expansion of sales to £3.8 m. shows an increase of 33% which is the greatest in any of our activities and reflects the successful reorganisation of our marketing structure. The rate of profit growth in this area is also most encouraging and we are hoping for considerable and rapid expansion.

Overseas Companies

Sales by our overseas companies increased by 23% from £4.18 m. to £5.14 m. This is equivalent to a 10% increase after excluding the benefits from changes in exchange rates following devaluation. The main growth areas were India and Pakistan. The Nigeria company had a successful year in spite of political problems there. I referred last year to the need to expand and resite our Indian production unit. Land for this purpose has been acquired near Bombay and negotiations with the Indian Government to develop the site are well in hand.

Research and Manufacture

Our search for new products continues over a wide area in the fields of human, animal and plant therapy. In my report for 1968 I mentioned our efforts in the field of rheumatic diseases, and I said that we had a product on clinical trial in this country and abroad. This particular product has now received approval



A new range of cosmetics aimed at the teenage market, diabetic preserves, and important additions to the baby range were among new Boots brand lines introduced during the year.

Statement by the Chairman—continued

from the Committee on Safety of Drugs and is being sold in the United Kingdom under the trade name Brufen. It is the result of some fifteen years' work in the area of rheumatic diseases in our Research Department and I am pleased to report that the response from doctors and the initial prescribing of the product have been very promising. We hope for substantial sales of Brufen also in overseas markets and we are engaged at present in submitting evidence on the compound to the regulatory bodies overseas.

Government departments in this country and abroad are becoming more demanding in terms of the amount and quality of the scientific work required before products are marketed or even put on trial. This has meant greatly increasing the amount of support work, such as biochemistry, toxicology and residue studies, as well as clinical or field trial work, and the amount of such support work is likely to increase further with the advent of the new Medicines Legislation.

We have recently added to our facilities by the purchase of a farm in Australia, where we can test new products against the problems of sub-tropical areas and using crops which we are unable to grow, even under artificial conditions, in Nottingham such as cotton and tobacco. With world markets in mind, we are confident that this is a major step forward in our development of the agricultural side of the business.

On the manufacturing side the Pharmaceutical factories at Beeston and Airdrie have had a very active year, the main task of which has been to increase the rate of production over the whole range of inventory to provide supplies for the expanded retail chain. This task has been accomplished, and they have also absorbed the production previously carried out by W. B. Cartwright Limited, whose factory has now been sold.

Development of new products and the updating of existing ones continue to occupy much attention and there are a number of new items in each of our main areas of interest, some of which are illustrated in this report.

Distribution and Stock Investment

Over the past two years a new system of branch delivery has been operated. We were supplying most of our branch requirements from centralised warehouses and the goods for several branches were loaded on to vehicles which then visited the branches in turn. To keep delivery costs down it was desirable to use large vehicles and not to make the journeys too frequently, but these big lorries were not really suited to delivery in the High Street, nor was it easy for our branches to cope with the influx of large quantities of goods at one time.

The solution adopted is to establish a small number of redistribution centres throughout the country, each centre serving branches within a radius of some 50 miles, the number of branches varying from 50 to 200. The goods for these branches are assembled in the central warehouses during the day and carried to the redistribution centres on heavy trunking vehicles, mainly during the night. At the redistribution centres the goods are reloaded on to a local delivery fleet which fans out the following morning. The branches have benefited from having a daily delivery of a limited quantity of merchandise instead of a back-breaking load once a week. Because the delivery comes from a local depot the actual time can be closely regulated and the 'round' for each vehicle tailored to traffic peaks and off-loading problems. Quicker distribution of merchandise also means quicker turnover and less stock investment.

This distribution network is proving particularly helpful in connection with our dispensing service. If a prescription is received for an item not in stock, a telephone order to one of our warehouses up to 6 p.m. can generally result in delivery to the branch the following day.

The maintenance of a correct balance of stock in factory, warehouse and shop is always a delicate operation, for too much stock means cash unnecessarily tied up, while too little can mean lost sales. This year the problem has been more difficult because of integrating the supply function of the two parts of the retail chain, by the large increases in Purchase Tax, by the needs of new and larger branches, and by reason of the fact that Timothy Whites stock levels were much in excess of our own. At £39 m. we recognise the stock investment total is too high and steps, which are beginning to show results, have been taken to correct the position.



Household stationery, an expanding range of electrical merchandise and lightweight travel goods are further examples of Boots exclusives. Also shown here is a new range of products for the important and fast-growing home winemaking market.

Statement by the Chairman—continued

Staff and Administration

Our staff have as always worked splendidly. Productivity continues to rise and, with the further increase in Selective Employment Tax last autumn, and again this summer, and the very high element of Purchase Tax in the cost of the goods we sell, it is imperative that it should.

The work of bringing Timothy Whites and Taylors' staff on to Boots terms of service and rates of pay is now accomplished and we are to all intents and purposes one family instead of two. In the larger context, opportunity for people of every skill and experience is greater and cross fertilisation will be to the benefit of both company and individual.

The staff of Timothy Whites are being included in all our current training procedures and specific schemes have been prepared to meet their special needs. The long-awaited policy statement from the Distributive Industry Training Board confirms that our training organisation, established over many years, will satisfy the conditions required and there is every likelihood that we shall qualify for a substantial grant.

We are most grateful to all our staff in the shops, factories, warehouses, laboratories and offices for their skill and energy during a harassing year, and on behalf of the directors and shareholders, I send them our best thanks.

Mr. R. M. Dickson who has been with the company for 45 years retired from executive work at the end of April. His knowledge of the retail side of our business and of retail pharmacy generally is probably unique, and he has served the company with the greatest distinction in many capacities. A host of friends and admirers recognise the contribution he has made to our affairs and join me in this tribute and in thanking him for all he has done. I am glad to say that he will be remaining on our Board of Directors for a while longer.

There are a number of Board changes to report. Beginning on a sad note, the Rt. Hon. Lord Coleraine, P.C., has expressed his wish to retire at the Annual General Meeting in July, and his colleagues have accepted his decision with great regret. During the 22 years that he has been a director he has always been a wise counsellor, greatly liked and immensely respected. We shall miss him enormously and it gives me the greatest pleasure to write these words of appreciation and to thank him for his many services to me and all his other colleagues over a long period of time.

Mr. R. C. Gibb, O.B.E., C.A., Managing Director of Timothy Whites & Taylors, joined us shortly after the merger and he has been of great use to us over the integration of our two companies. As from April 1st, 1969 the Rt. Hon. Lord Redmayne, P.C., D.S.O., accepted an invitation to join the Board. He was M.P. for the Rushcliffe Division of Nottingham for 16 years and was Chief Whip in the administration of Mr. Macmillan and Sir Alec Douglas Home, and he is currently a director of Harrods. We give him a warm welcome and we are sure his experience will be of much value to us.

Conclusion

It is particularly difficult to forecast trading conditions during the current year when there are so many contrary political and economic factors. The period of restraint is not yet over nor likely to be for some time; restrictions on the supply of money will increasingly be felt, and currency difficulties lie only just underneath the surface. The distributive trade is grossly burdened by tax which makes the climate in which we operate extremely harsh. Your directors therefore feel that we will do well to maintain the present rate of sales increase but the purchase tax content of that increase should be less.

Our object is to improve the utilisation of our resources in order to secure greater rewards for those who work in the company and for the shareholders who support it with their capital. We have identified in considerable depth situations where there is new or future potential for the retail side of the company's business, and we are determined to lose no opportunity for further growth and profit by adopting our methods in the new outlets of Timothy Whites. We expect to see the first benefits during the coming year. At the same time we shall continue with the expansion of wholesale selling both at home and in the export field.

Report of the Auditors

to the Members of Boots Pure Drug Company Limited

We have examined the annexed balance sheet, consolidated balance sheet and consolidated profit and loss account. The accounts of certain subsidiaries have been audited by other firms.

In our opinion the balance sheet and the consolidated accounts comply with the Companies Acts, 1948 and 1967, and give respectively a true and fair view of the state of the Company's affairs at 31st March, 1969 and, so far as concerns members of the Company, a true and fair view of the state of affairs and of the profit of the Group.

PEAT, MARWICK, MITCHELL & CO.

Chartered Accountants.

Birmingham and London

19th June, 1969

Consolidated Profit and Loss Account

for the year ended 31st March 1969

(Incorporating the results of the United Kingdom Subsidiaries for the year ended 31st March 1969 and of the Overseas Subsidiaries for the year ended 31st December 1968)

		1969	1968
	Notes	£000	£000
Net World Sales		<u>212,170</u>	<u>161,645</u>
Trading Profit	1	19,868	16,937
<i>Deduct Interest on Loan Capital</i>		<u>742</u>	<u>124</u>
Profit before Taxation		19,126	16,813
<i>Deduct Taxation</i>	2	<u>9,148</u>	<u>7,596</u>
Profit after Taxation		9,978	9,217
<i>Deduct Profit attributable to Minority Shareholders of Subsidiary Companies</i>		36	35
Pre-acquisition profit	3	292	—
		<u>328</u>	<u>35</u>
Profit attributable to Boots Pure Drug Company Limited	4	9,650	9,182
<i>Deduct Dividends paid and proposed</i>			
Interim of 6½% already paid (1968 6½%)		2,894	2,496
Proposed Final of 8.499% making a total of 14.999% (1968 total 14.49%)		3,784	3,068
		<u>6,678</u>	<u>5,564</u>
Profit retained in the Group and included in Reserves		<u>2,972</u>	<u>3,618</u>

The notes on pages 18 to 25 form part of the Accounts

Consolidated Balance Sheet 31st March 1969

(Incorporating United Kingdom Subsidiaries as at 31st March 1969 and Overseas Subsidiaries as at 31st December 1968)

	Notes	1969 £000	1968 £000
CAPITAL EMPLOYED			
Shareholders' Interests			
Share Capital	5	44,521	38,400
Share Premium Account	6	3,375	—
Reserves	7	41,983	39,047
		<u>89,879</u>	<u>77,447</u>
Loan Capital	8	12,634	2,066
Minority Interests in Subsidiaries		393	334
Provisions	9	1,900	927
Deferred Taxation	10	3,125	2,596
		<u>107,931</u>	<u>83,370</u>
EMPLOYMENT OF CAPITAL			
Fixed Assets			
	11		
Properties		68,216	50,369
Fittings and Plant		21,553	20,053
		<u>89,769</u>	<u>70,422</u>
Unquoted Investments	13	8	8
Difference arising on Consolidation		46	80
Net Current Assets			
Stock-in-Trade	14	39,448	28,016
Debtors		11,562	9,494
Cash at Bankers and Short Term Investments		3,914	3,958
		<u>54,924</u>	<u>41,468</u>
		<i>Less:</i>	
Creditors		23,744	18,109
Amounts due to Bankers	15	607	452
Taxation	16	8,681	6,979
Final Dividend		3,784	3,068
		<u>36,816</u>	<u>28,608</u>
		<u>18,108</u>	<u>12,860</u>
		<u>107,931</u>	<u>83,370</u>

W. R. NORMAN

K. D. WILLIAMSON

Directors

The notes on pages 18 to 25 form part of the Accounts

Balance Sheet 31st March 1969

			1969	1968
		Notes	£000	£000
CAPITAL EMPLOYED				
Shareholders' Interests				
	Share Capital	5	44,521	38,400
	Share Premium Account	6	3,289	—
	Reserves	7	16,479	14,824
			<u>64,289</u>	<u>53,224</u>
Loan Capital		8	8,187	2,066
Provisions		9	507	507
Deferred Taxation		10	1,259	1,153
			<u>74,242</u>	<u>56,950</u>
EMPLOYMENT OF CAPITAL				
Fixed Assets				
		11		
	Properties		17,511	17,752
	Fittings and Plant		6,287	6,657
			<u>23,798</u>	<u>24,409</u>
Subsidiary Companies				
		12		
	Investment, less provision		25,943	10,742
	Advances and Current Accounts		24,822	20,009
			<u>50,765</u>	<u>30,751</u>
Net Current Assets				
	Stock-in-Trade	14	14,455	12,372
	Debtors		7,154	6,976
	Cash at Bankers and Short Term Investments		2,945	3,584
			<u>24,554</u>	<u>22,932</u>
	<i>Less:</i>			
	Creditors		17,191	15,332
	Taxation	16	3,900	2,742
	Final Dividend		3,784	3,068
			<u>24,875</u>	<u>21,142</u>
			(321)	1,790
			<u>74,242</u>	<u>56,950</u>

W. R. NORMAN

K. D. WILLIAMSON

Directors

The notes on pages 18 to 25 form part of the Accounts

Notes on the Profit and Loss Account and Balance Sheets

these form part of the Accounts

1. Trading Profit

(a) Trading Profit includes the profit of the Timothy Whites & Taylors Limited business for the year ended 31st March 1969 and is after adding:

	1969	1968
	£000	£000
Income from Unquoted Investments	1	1

and after deducting:

Depreciation of Properties	1,460	1,262
Depreciation of Fittings and Plant	2,765	2,374
	<u>4,225</u>	<u>3,636</u>
Profit Earning Bonus for Staff	1,770	1,555
Special obsolescence of Fittings and Plant	—	183
Bank Interest	82	36
Computer and other Plant Hire	318	178
Remuneration of Auditors	24	15
Companies' Payments to Pension Funds:		
Ordinary Contributions	1,103	925
Annual Payments for past service	134	142

(b) The emoluments of the Directors of Boots Pure Drug Company Limited from all companies of the Group are:

	1969	1968
	£000	£000
Directors' Fees	13	10
Other emoluments, including contributions under approved Pension Schemes	233	215
Pension paid to a past Director	1	1
Payment to a past Director on the termination of his service with the Company	—	55
	<u>247</u>	<u>281</u>

Particulars of Directors' emoluments (excluding pension contributions) as required by Section 6 of the Companies Act 1967:

	1969	1968
	£000	£000
The emoluments of the Chairman were	18	18
The emoluments of the highest paid Director were	22	27

Number of Directors
1969 1968

The number of Directors receiving emoluments in the following groups were:

£25,001 to £27,500	—	1
£20,001 to £22,500	3	3
£17,501 to £20,000	2	1
£15,001 to £17,500	2	1
£12,501 to £15,000	1	—
£10,001 to £12,500	1	—
£2,501 to £5,000	—	2
Under £2,500	3	3

(c) Particulars of employees other than Directors of Boots Pure Drug Company Limited whose emoluments exceeded £10,000 (excluding pension contributions):

	<i>Number of Employees</i>	
	1969	1968
£10,001 to £12,500	2	4

2. Taxation

The amount charged for taxation on the profit of the year consists of:

	1969	<i>1968</i>
	£000	<i>£000</i>
U.K. Corporation Tax at 45% (<i>42½%</i>)	8,748	<i>7,048</i>
<i>Deduct</i> Relief for Overseas taxation	77	<i>69</i>
	<u>8,671</u>	<u><i>6,979</i></u>
Transfer to provision for deferred taxation	322	<i>483</i>
	<u>8,993</u>	<u><i>7,462</i></u>
Total U.K. taxation	8,993	<i>7,462</i>
Overseas taxation	206	<i>191</i>
	<u>9,199</u>	<u><i>7,653</i></u>
<i>Deduct</i> adjustment for previous years	51	<i>57</i>
	<u>9,148</u>	<u><i>7,596</i></u>
Charge to Profit and Loss Account	9,148	<i>7,596</i>

3. Pre-acquisition profit

The pre-acquisition profit of £292,000 represents the profit after tax of the Timothy Whites & Taylors Group attributable to the period 1st April to 2nd August, 1968 (the date of acquisition).

4. Profit attributable to Boots Pure Drug Company Limited

	1969	<i>1968</i>
	£000	<i>£000</i>
Total profit attributable to members	9,650	<i>9,182</i>
<i>Deduct</i> profit retained by subsidiary companies	1,353	<i>1,513</i>
	<u>8,297</u>	<u><i>7,669</i></u>
Profit of Boots Pure Drug Company Limited	8,297	<i>7,669</i>
<i>Deduct</i> dividends paid and proposed	6,678	<i>5,564</i>
	<u>1,619</u>	<u><i>2,105</i></u>
Profit retained in Boots Pure Drug Company Limited	1,619	<i>2,105</i>

5. Share Capital

		1969	<i>1968</i>
		£000	<i>£000</i>
Ordinary Shares of 5/- each:	Authorised	50,000	<i>50,000</i>
	Issued and fully paid	44,521	<i>38,400</i>

During the year the Issued Share Capital was increased by £6,120,992 issued as part consideration for the whole of the share capital of Timothy Whites & Taylors Limited.

Notes on the Accounts—continued

		Boots Pure Drug Group	Boots Pure Drug Co. Ltd.
		£000	£000
6. Share Premium Account	Premium on shares issued in connection with the acquisition of Timothy Whites & Taylors Limited, /ess expenses	3,289	3,289
	Premium on shares issued by an Overseas Subsidiary (including £60,000 transferred from Reserves)	86	—
	At 31st March, 1969	<u>3,375</u>	<u>3,289</u>
7. Reserves			
	At 31st March, 1968	39,047	14,824
	<i>Add:</i>		
	Profit of the year retained	2,972	1,619
	Surplus on sales of properties	169	107
	Miscellaneous items	7	(3)
	Transfer to Share Premium Account	(60)	—
	Transfer to Provision for Deferred Taxation	(152)	(68)
	At 31st March, 1969	<u>41,983</u>	<u>16,479</u>
8. Loan Capital	BOOTS PURE DRUG COMPANY LIMITED	1969	1968
		£000	£000
	Unsecured Loans:		
	6% Loan Stock 1978/83	2,066	2,066
	7½% Loan Stock 1988/93	6,121	—
		<u>8,187</u>	<u>2,066</u>
	SUBSIDIARIES		
	Secured Loans:		
	3¼% First Mortgage Debenture Stock	1,000	—
	4% (1946) Debenture Stock	95	—
	4⅞% Mortgage Loan	439	—
	Unsecured Loans:		
	6¼% Loan Stock 1983/88	1,228	—
	8% Loan Stock 1986/91	1,676	—
	Others	9	—
		<u>12,634</u>	<u>2,066</u>

- (a) The 6% Loan Stock 1978/83 is redeemable at par.
- (b) The 7½% Loan Stock 1988/93 was created during the year and issued to holders of Timothy Whites & Taylors Limited Ordinary Shares as part consideration therefor. It is redeemable at par.
- (c) The 3¼% First Mortgage Debenture Stock is redeemable on 1st December, 1982 at par.
- (d) The 4% (1946) Debenture Stock is redeemable by yearly sinking fund redemption to end in 1975.
- (e) The 4⅞% Mortgage Loan is redeemable after 1st March, 1977 at par, on notice from the lenders.
- (f) The 6¼% Loan Stock 1983/88 is now redeemable by yearly sinking fund redemption at par.
- (g) The 8% Loan Stock 1986/91 is redeemable by yearly sinking fund redemption, commencing 1972, at £105 per cent.

		Group		Boots Pure Drug Co. Ltd.	
		1969	1968	1969	1968
		£000	£000	£000	£000
9. Provisions	Pensions	1,421	927	507	507
	Reorganisation	479	—	—	—
		<u>1,900</u>	<u>927</u>	<u>507</u>	<u>507</u>

A provision for reorganisation of £600,000 was created out of the pre-acquisition reserves of the Timothy Whites & Taylors group.

10. Deferred Taxation

Deferred Taxation provision represents taxation on the excess of Capital Allowances (other than Investment Allowance) over the comparative depreciation charged against profit.

Notes on the Accounts—continued

11. Fixed Assets

(a) Properties

Revalued properties are shown at Valuation with subsequent additions at cost. Properties not revalued are at cost. Long Leaseholds are those with over 50 years unexpired at the date of the Balance Sheet.

GROUP						
	1969			1968		
	Cost or Valuation £000	Depreci- ation £000	Net £000	Cost or Valuation £000	Depreci- ation £000	Net £000
At 1st April	56,912	6,543	50,369	54,254	5,324	48,930
Arising on acquisition of new subsidiaries	16,688	545	16,143	—	—	—
Additions	3,278	1,437	1,841	2,724	1,262	1,462
Disposals	(226)	(89)	(137)	(229)	(55)	(174)
Transfers and Adjustments	—	—	—	163	12	151
At 31st March	76,652	8,436	68,216	56,912	6,543	50,369
Comprising:						
Professional Valuation 1958	11,636	2,911	8,725	11,603	2,632	8,971
Professional Valuation 1959	2,375	484	1,891	—	—	—
Professional Valuation 1965	46,923	2,513	44,410	33,718	1,793	31,925
Properties not revalued	15,718	2,528	13,190	11,591	2,118	9,473
	76,652	8,436	68,216	56,912	6,543	50,369
Tenure of Properties:						
Freeholds	58,857	5,038	53,819	42,495	4,046	38,449
Long Leaseholds	8,062	681	7,381	6,629	552	6,077
Short Leaseholds	9,733	2,717	7,016	7,788	1,945	5,843
	76,652	8,436	68,216	56,912	6,543	50,369

GROUP

(b) Fittings and Plant (net of investment grants)

	1969			1968		
	Cost £000	Depreci- ation £000	Net £000	Cost £000	Depreci- ation £000	Net £000
At 1st April	35,609	15,556	20,053	33,663	15,059	18,604
Arising on acquisition of new subsidiaries	4,314	2,592	1,722	—	—	—
Additions	2,747	2,654	93	4,155	2,374	1,781
Disposals	(1,655)	(1,340)	(315)	(2,312)	(1,913)	(399)
Transfers and Adjustments	—	—	—	103	36	67
At 31st March	41,015	19,462	21,553	35,609	15,556	20,053

(c) The approximate amounts approved by the Directors in respect of capital expenditure (net of investment grants) not provided for in these accounts are as follows:

	Group		Boots Pure Drug Co. Ltd.	
	1969 £000	1968 £000	1969 £000	1968 £000
Contracts placed	4,422	4,398	607	654
Contracts not placed	1,115	389	73	60
	5,537	4,787	680	714

BOOTS PURE DRUG CO. LTD.

1969			1968		
Cost or Valuation £000	Depreciation £000	Net £000	Cost or Valuation £000	Depreciation £000	Net £000
21,117	3,366	17,751	20,565	2,937	17,628
—	—	—	—	—	—
248	445	(197)	623	431	192
(51)	(8)	(43)	(71)	(2)	(69)
5	5	—	—	—	—
<u>21,319</u>	<u>3,808</u>	<u>17,511</u>	<u>21,117</u>	<u>3,366</u>	<u>17,751</u>
11,610	2,902	8,708	11,577	2,624	8,953
—	—	—	—	—	—
5,339	219	5,120	5,356	165	5,191
4,370	687	3,683	4,184	577	3,607
<u>21,319</u>	<u>3,808</u>	<u>17,511</u>	<u>21,117</u>	<u>3,366</u>	<u>17,751</u>
20,050	3,444	16,606	19,857	3,030	16,827
439	105	334	1,029	215	814
830	259	571	231	121	110
<u>21,319</u>	<u>3,808</u>	<u>17,511</u>	<u>21,117</u>	<u>3,366</u>	<u>17,751</u>

BOOTS PURE DRUG CO. LTD.

1969			1968		
Cost £000	Depreciation £000	Net £000	Cost £000	Depreciation £000	Net £000
15,563	8,906	6,657	14,947	9,266	5,681
—	—	—	—	—	—
699	985	(286)	2,235	1,012	1,223
(811)	(736)	(75)	(1,620)	(1,373)	(247)
(10)	(1)	(9)	1	1	—
<u>15,441</u>	<u>9,154</u>	<u>6,287</u>	<u>15,563</u>	<u>8,906</u>	<u>6,657</u>

The amounts of the valuations of properties included in the Balance Sheet were:

	1969 £000	1968 £000
GROUP		
1958 Valuation	10,653	10,679
1959 Valuation	1,945	—
1965 Valuation	42,711	30,802
BOOTS PURE DRUG CO. LTD.		
1958 Valuation	10,629	10,655
1965 Valuation	5,241	5,251

Notes on the Accounts—continued

		1969	<i>1968</i>
		£000	£000
12. Subsidiary Companies	(a) Shares in Timothy Whites & Taylors Limited at book value of net assets taken over	15,268	—
	Shares in other subsidiaries valued at par, less provision	10,675	<i>10,742</i>
		<u>25,943</u>	<u><i>10,742</i></u>
		1969	<i>1968</i>
		£000	£000
	(b) Advances and Current Accounts:		
	Advances to Subsidiaries	9,688	<i>9,586</i>
	Current Accounts:		
	Amounts due by Subsidiaries	15,140	<i>10,429</i>
	Amounts due to Subsidiaries	(6)	<i>(6)</i>
		<u>24,822</u>	<u><i>20,009</i></u>
	(c) The currency values of the assets and liabilities of the Overseas Subsidiaries have been converted into sterling at the approximate rates of exchange ruling at 31st March, 1969.		
	(d) The accounting periods of the Overseas Subsidiaries have not been synchronised with that of Boots Pure Drug Company Limited as this would delay presentation of the Group's Annual Accounts.		
	(e) A list of the principal subsidiaries is shown on page 25.		
13. Unquoted Investments	The unquoted investments of the Group are valued by the Directors at £14,000.		
14. Stock-in-Trade	Stock-in-Trade has been valued as in previous years, the basis being the cost to the Group less provision to reduce to net realisable value.		
15. Amounts due to Bankers	The overdrafts of certain Overseas Subsidiaries amounting to £607,000 at 31st December, 1968, (<i>1967 £452,000</i>) were secured on the assets of the Subsidiaries.		
16. Taxation	No provision has been made for taxation liabilities which might arise on the distribution of profits retained by Overseas Subsidiaries.		
17. Company Status	Boots Pure Drug Company Limited is not a close company.		

Principal Companies

PARENT Boots Pure Drug Company Limited Manufacturers and wholesale distributors of Pharmaceuticals, Drugs, Fine Chemicals and Toilet Preparations.

SUBSIDIARIES (wholly owned except as otherwise indicated)

INCORPORATED IN GREAT BRITAIN

Boots The Chemists Ltd.	Retail Chemists
Boots Farm Sales Ltd.	Agricultural and Veterinary Suppliers
Timothy Whites & Taylors Ltd.	Retail Chemists and Housewares
Timothy Whites Wholesale Ltd.	Wholesale Chemists and Housewares
Whites Property Co. Ltd.	Property holding
Watts Brothers (Manchester) Ltd.	Wholesalers of Hairdressers' requisites
W. B. Cartwright Ltd.	Manufacturing and Wholesale Chemists
British Saccharin Sales Ltd. (51%)	Wholesalers of saccharin

INCORPORATED OVERSEAS

New Zealand	Boots The Chemists (New Zealand) Ltd.	Retail Chemists
South Africa	Boots Pure Drug Co. (South Africa) (Pty.) Ltd.	Manufacturing and Wholesale Chemists
India	Boots Pure Drug Co. (India) Ltd. (60%)	Manufacturing and Wholesale Chemists
Pakistan	Boots Pure Drug Co. (Pakistan) Ltd. (56%)	Manufacturing and Wholesale Chemists
Australia	Boots Pure Drug Co. (Australia) Pty. Ltd.	Manufacturing and Wholesale Chemists
Nigeria	Boots Pure Drug Co. (Nigeria) Ltd.	Wholesale Chemists
Singapore	Boots Pure Drug Co. (Far East) Ltd.	Wholesale Chemists
Italy	Boots-Formenti S.p.A. (55%)	Wholesale Chemists

The Ten Year Record

These tables express in figures the progress made in the last ten years

	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969
Sales (£000)										
Sales: Home	86,682	95,443	102,032	106,017	113,555	123,550	136,060	144,786	155,187	203,727
Export	1,946	2,059	1,930	2,049	2,525	2,686	2,840	2,709	2,852	3,803
Sales of the Home Group	88,628	97,502	103,962	108,066	116,080	126,236	138,900	147,495	158,039	207,530
Sales by Overseas Subsidiaries	2,550	2,705	3,173	3,547	3,748	4,261	4,426	3,869*	4,183	5,140
Less Sales by Home Group to Overseas Subsidiaries	(563)	(517)	(511)	(496)	(524)	(521)	(483)	(477)	(577)	(500)
Net World Sales	90,615	99,690	106,624	111,117	119,304	129,976	142,843	150,887	161,645	212,170
* Sales by Overseas Subsidiaries were reduced in 1967 by £598,000 due to the devaluation of the Indian rupee.										
Profit and Cash Flow (£000)										
Profit before Taxation	7,558	8,826	9,271	9,645	11,597	13,932	15,234	14,877	16,813	19,126
Taxation	3,735	4,563	4,931	5,044	6,151	7,494	5,689	6,034	7,596	9,148
Profit after Taxation	3,823	4,263	4,340	4,601	5,446	6,438	9,545	8,843	9,217	9,978
Profit attributable to earlier years						420				
Less:										
Minority Interests	—	—	—	—	—	—	1	2	35	36
Preference Dividends (Gross)	97	97	97	97	97	97	—	—	—	—
Ordinary Dividends (Gross)	2,688	3,072	3,072	3,328	3,840	4,608	5,376	5,376	5,564	6,678
Income Tax retained from Dividends paid	(1,080)	(1,228)	(1,228)	(1,328)	(1,526)	(1,900)	(1,747)	—	—	—
Profit retained	2,118	2,322	2,399	2,504	3,035	4,053	5,915	3,465	3,618	3,264
Depreciation	1,593	1,760	1,839	1,994	2,240	2,533	2,923	3,267	3,636	4,225
Cash flow	3,711	4,082	4,238	4,498	5,275	6,586	8,838	6,732	7,254	7,489
Other Statistics										
† Profit as % of Capital Employed	17.8%	19.7%	19.6%	19.3%	21.8%	20.6%	20.5%	19.0%	20.3%	18.4%
Ordinary Dividends % allowing for Scrip Issues	7%	8%	8%	8.7%	10%	12%	14%	14%	14.49%	14.999%
Expenditure on Fixed Assets (£000)	3,047	3,410	4,373	5,110	4,842	7,484	8,376	8,122	6,878	6,225
Amount of Profit Earning Bonus (£000)	702	820	861	896	1,077	1,294	1,415	1,379	1,555	1,770
Number of Staff in United Kingdom (full-time equivalents)	39,344	39,606	40,181	39,936	39,473	39,401	39,824	39,247	38,615	45,617
Number of Branches	1,307	1,305	1,298	1,290	1,284	1,270	1,268	1,266	1,256	1,817

£100 invested in Ordinary Stock of the Company at 1st April, 1959 would have a market value of £320 at 31st March, 1969.

† In arriving at profits as a percentage of capital employed, Loan Stock interest has not been deducted. Furthermore, Corporation Tax and previously Income Tax, payable on the profits of each year is classified as a current liability and thus not part of Capital employed.

	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969
Capital Employed (£000)										
Ordinary Shareholders' Interests:										
Share Capital	12,800	25,600	25,600	25,600	25,600	38,400	38,400	38,400	38,400	44,521
Share Premium	—	—	—	—	—	—	—	—	—	3,375
Reserves	25,242	14,623	17,194	19,857	22,644	25,401	31,766	35,164	39,047	41,983
	38,042	40,223	42,794	45,457	48,244	63,801	70,166	73,564	77,447	89,879
Preference Shares	1,400	1,400	1,400	1,400	1,400	—	—	—	—	—
Loan Capital	2,066	2,066	2,066	2,066	2,066	2,066	2,066	2,066	2,066	12,634
Minority Interests in Subsidiaries	—	—	—	—	—	5	233	208	334	393
Provisions	1,020	1,020	1,020	1,020	1,020	927	927	927	927	1,900
Deferred Taxation	687	680	693	708	1,133	1,578	1,659	1,985	2,596	3,125
	43,215	45,389	47,973	50,651	53,863	68,377	75,051	78,750	83,370	107,931
Employment of Capital (£000)										
Fixed Assets	33,507	34,971	37,227	40,014	42,354	58,662	63,410	67,535	70,422	89,769
Investments	15	15	14	9	11	11	10	8	8	8
Difference on Consolidation	12	115	13	22	71	37	87	47	80	46
Net Current Assets	9,681	10,288	10,719	10,606	11,427	9,667	11,544	11,160	12,860	18,108
	43,215	45,389	47,973	50,651	53,863	68,377	75,051	78,750	83,370	107,931

The figures reflect the results of the property revaluation shown in Note 11 and the redemption of the Preference Shares at 31st March, 1965.

Directors' Shareholdings and Transactions

The names of the Directors at 31st March, 1969, and details of the interests of each Director and his family in the Share and Loan Capital of the Company at the date of the Balance Sheet are shown below. In accordance with the requirements of the Companies Act 1967, holdings at 1st April, 1968, or at the date of appointment within the year are shown in brackets where these differ.

	<i>Number of Ordinary Shares</i>		<i>Amount of Loan Stock</i>
	<i>Beneficially held</i>	<i>Otherwise held</i>	<i>all Beneficially held</i>
W. R. NORMAN (Chairman)	41,955	6,066	— £
K. D. WILLIAMSON (Managing Director)	2,211	—	—
G. I. HOBDAV, Ph.D., F.R.I.C. (Deputy Managing Director)	6,500	—	101
D. E. M. APPLEBY	—	—	—
THE RT. HON. LORD COLERAINE, P.C.	2,148	—	—
R. C. M. DICKSON, M.P.S.	2,654	—	107
R. C. GIBB, O.B.E.	20,700	—	4,800
K. H. HARPER, F.P.S.	2,100	—	91
B. JEFFERIES	1,150 (150)	—	177
SIR JAMES PITMAN, K.B.E.	10,169	—	—
A. D. SPENCER	250	—	—
M. J. VEREY	3,650	10,300	—



BOOTS PURE DRUG COMPANY LIMITED